



BUY

Target Price : IDR960

Stock Data

Current Price	: 540
52wk Range H-L	: 720 - 332
Share Outstanding	: 10.60 Bn
Free Float	: 29.44%
Mkt Capitalization (IDR bn)	: 5,257

Major Shareholders

PT Triputra Investindo Arya	: 27.56%
PT Krishna Kapital Investama	: 14.63%
PT Tri Nur Cakrawala	: 7.44%
PT Mitra Aneka Guna	: 6.32%
Oetomo Arianto	: 5.43%
Oetomo Andrianto	: 5.43%
Public	: 33.19%

PT Dharma Satya Nusantara Tbk (DSNG IJ)

Plantation Sector and Wood Industry

To Sustainability and Beyond

The Most Sustainable and Environmentally Driven CPO Producer in the Country

PT Dharma Satya Nusantara Tbk (DSNG IJ) is a green and sustainable producer of palm oil and wood products for more than 30 years. It has the #4 largest revenue share out of the other listed plantation companies. The palm oil plantations are located at Borneo with mostly prime mature plant characteristic with a total of 112,600 ha planted area. While, the wood production facilities are located in Central and East Java, producing one of the most notable global wood engineered flooring brand "Teka".

Potential Role in Global Supply Chain

In the light of environmental awareness, such as deforestation, several companies in developed countries has no longer use palm oil as their part of ingredients. We know that DSNG is currently a domestic supplier. But with its competitive advantage on ESG and sustainability along with the demands from other brands for sustainable palm oil, we hope that going forward, DSNG can also be a part of the sustainable global palm oil supply chain.

Several Additions of Renewable Energy are on It's Way:

1) Bio-CNG plants: For the Economy and the Environment

The first Bio-CNG plant in Indonesia, owned by DSNG, has been operating since in September 2020. It is located in East Kalimantan with a capacity of 2x600 kW which provides 1.2 MW used to power the Kernel Crushing Plant (KCP) and the Bio-CNG Plant itself. As for the remaining biogas will be upgraded and compressed into Biomethane Compressed Natural Gas with a capacity of 280m3/hour. Subsequently, six Bio-CNG plants are planned to be constructed within the next two years with the second plant currently under construction. The second plant will generate power from liquid waste in two POMs with a capacity of 120 tons FFB/hour which resulted in 2x850 kW of energy and 540m3/hour biomethane gas. The investment worth USD47 million for these plants and when the seven plants run it would be able to save ~16 million liters of diesel per year and reduce carbon emission by 400,000 tons per year. With the economic gain, DSNG can reduce its overhead cost which accounts for ~25% of the cost of revenue and provide a wider GPM in the long run.

2) Solar panels on the Wood Factory

In continuation of the green energy, DSNG plans to install a solar power plant utilizing the Norwegian technology on the factory's roof top of their wood business subsidiary, PT Tanjung Kreasi Parquet Industry (TKPI), with a coverage area of 16,000 m2. The plant can produce 2MW at its peak capacity. We believe with the Bio-CNG Plant and the solar panels, DSNG is on a head start towards a greener energy which is a step faster than the government who aims for a net zero carbon emission in around 2060, whereas DSNG's roadmap is rather short to aim for the net zero in FY25. Hence, DSNG is putting all their energy and focus on the sustainability goal. While their source of fund came from capital expenditure which is budgeted at IDR1 trillion for FY21E.

Initiate BUY on DSNG with TP: IDR960

We initiate **BUY** on **DSNG** with **TP: IDR960** which implied 1.48x/1.37x PBV in FY21E/FY22F. There is potential margin increase with the decrease on export levy as well as from the CPO price uptrend. With the increasing investor's appetite toward ESG stocks, DSNG is one of the most lucrative choice. While the risk to our call is lower production due to the weather and the pandemic.

Key Financial Highlight

Billion IDR	FY18	FY19	FY20	FY21E	FY22F
Revenue	4,761.81	5,736.68	6,698.92	7,491.68	7,965.43
Net Income	420.50	179.94	476.64	597.04	647.09
EPS (IDR)	40.15	17.43	45.57	57.09	61.87
PE (x)	13.32	30.70	11.74	9.37	8.65
BVS (IDR)	349.40	361.42	595.76	646.59	701.67
PBV (x)	1.53	1.48	0.90	0.83	0.76
ROA (%)	3.58	1.55	3.37	3.98	4.14
ROE (%)	11.49	4.82	7.65	8.83	8.82
DER (x)	2.21	2.11	1.27	1.22	1.13

Sources: Bloomberg, MNCS



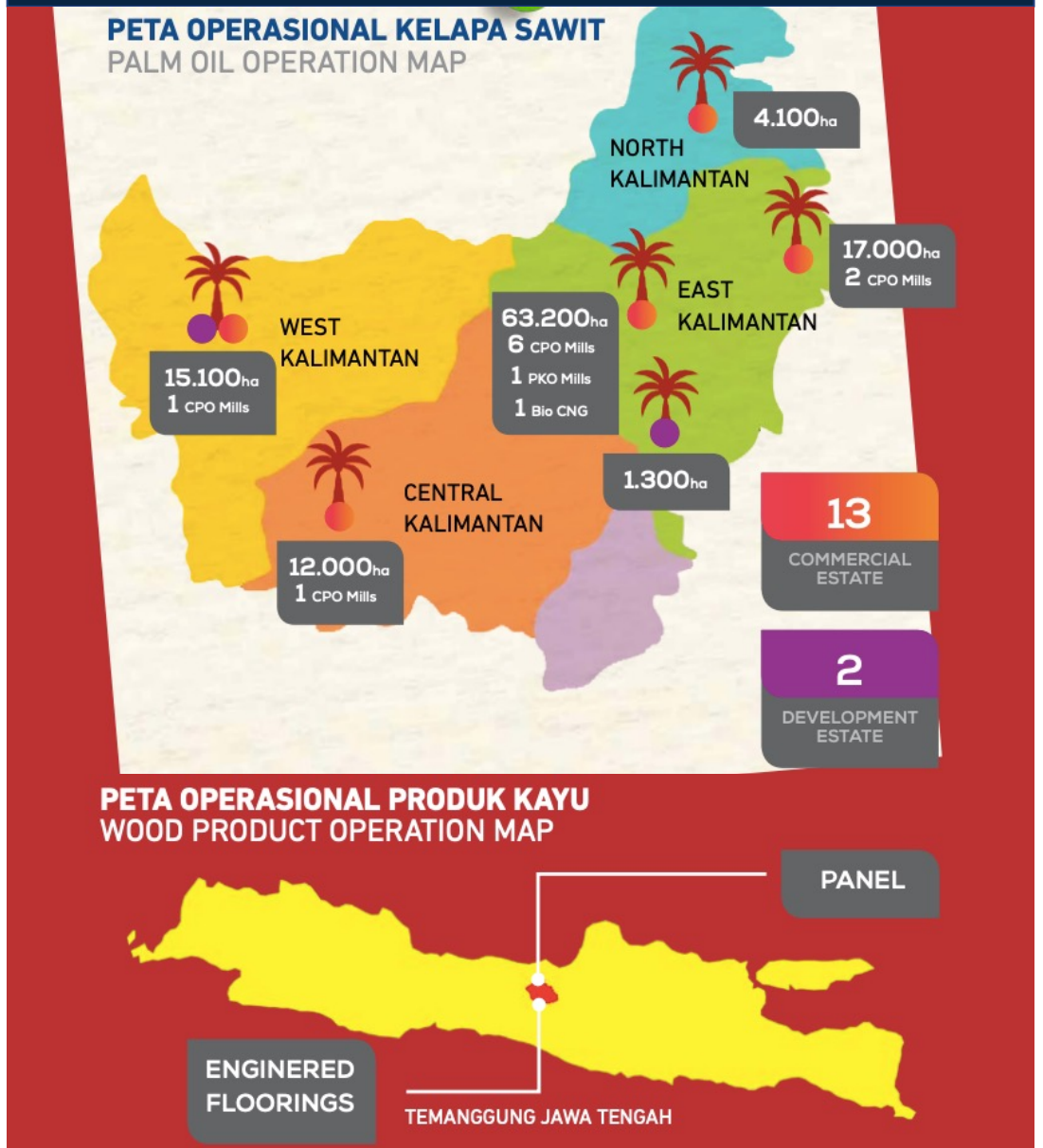
Research Analyst

Catherina Vincentia
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The Most Sustainable and Environmentally Driven CPO Producer in the Country

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Exhibit 01. DSNG Palm and Wood Business Operational Map



Sources : Company

National Plantation ESG Leader

DSNG is the winner in the Indonesian ESG game with the highest SPOTT rank at 16th place as of FY20. As a leading ESG Palm Oil company in Indonesia, DSNG's whole business is committed to social, economic and environmental sustainability. This is carried through a culture of transparency and accountability, environmental stewardship, social inclusion and a commitment to best practices. DSNG plans to reach net zero carbon aspiration by 2025. Recently in FY20, &Green granted DSNG a green fund of USD30 million in Apr-20 while SRI KEHATI Index, a jointly developed index between the Indonesian Stock Exchange and the Indonesian Biodiversity Foundation (KEHATI), had just included DSNG on late Nov-20.

Exhibit 02. ESG Commitment and Third Party Acknowledgement

COMMITMENT TO SUSTAINABILITY
DSNG RESPECTS SOCIETY, ENVIRONMENT, AND SOCIAL RESPONSIBILITIES TO ALL STAKEHOLDERS

- 27,000HA PLASMA
Approx. 32% of Nucleus area
- more than 200 LOCAL PARTNERS
- 13,000 SMALLHOLDERS
Involved in empowerment program (Transportation, Construction, Infrastructure, etc)
- 4 CREDIT UNIONS

ECONOMIC

SOCIAL

ENVIRONMENTAL

HEALTH FACILITIES
1 Main Clinic with 16 supporting clinics



The first ever Palm Oil Company being granted a green fund in April 2020 **USD 30mn** 10 years

The Contributors



<https://www.andgreen.fund>



KEHATI
For period : Dec 20 – May 21

Inclusion of DSNG:IJ Stock in the SRI KEHATI Index since 24 November 2020

SRI KEHATI measures the stock price performance of 25 listed companies, selected by KEHATI Foundation, that have good performance in encouraging sustainable businesses, as well as having an awareness of the environment, social, and good Corporate governance or called Sustainable and Responsible Investment (SRI).

SRI-KEHATI is a jointly-developed index between the Indonesian Stock Exchange and the Indonesian Biodiversity Foundation (KEHATI Foundation)

<https://www.kehati.or.id/>

In SPOTT Annual Report 2020, DSN was ranked 16th out of 100 nominations with a total scoring of 75.3%, significantly increased from last year position of 46th with a scoring of 37.3%

Company	Rank	Total score	Change	Disclosure	Engaged	Headquarters	Landbank	Market cap	Market
PT Sinar Mas Perkebunan Tbk	1	84.4%	+18.9			Malaysia	233.4 KHa	\$1,295.1M	MS
PT Sinar Mas Perkebunan Tbk	148	73.3%	+5.8			Singapore	202.7 KHa	\$1,345.3M	MS
DSNG:IJ	16	75.3%	+18.7			Indonesia	155.6 KHa	\$278.3M	7
PT Sinar Mas Perkebunan Tbk	16	75.3%	+18.7			Indonesia	155.6 KHa	\$278.3M	7
PT Sinar Mas Perkebunan Tbk	16	75.3%	+18.7			Singapore	139.2 KHa	Private co.	MS
PT Sinar Mas Perkebunan Tbk	16	75.3%	+18.7			United Kingdom	70.3 KHa	\$278.3M	7

2020 Ranking : 16th Worldwide

<https://www.spott.org/palm-oil/>

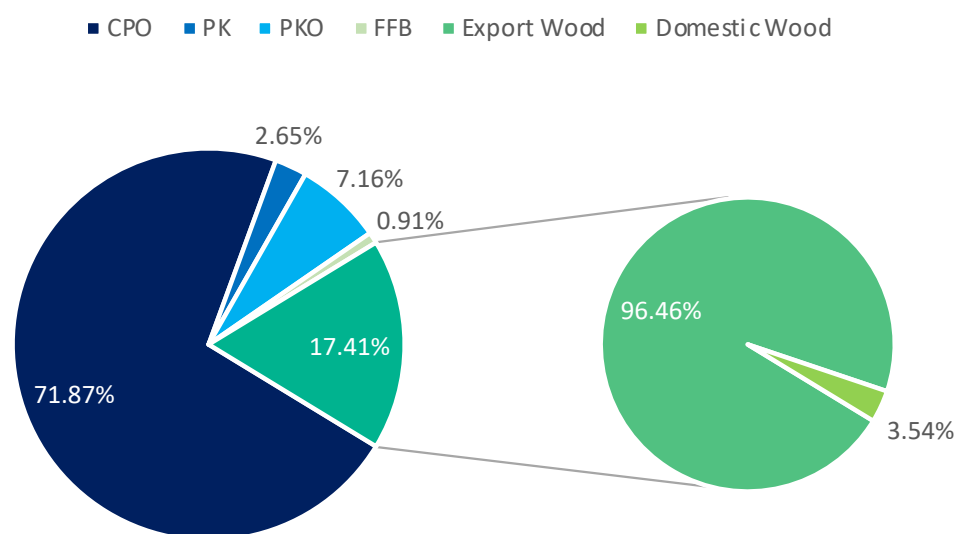
Sources : Company

Revenue Stream is Dominated by CPO

Plantation is still the main revenue stream contributing 82% to the revenue in 1Q21, in details are as follows: 1) CPO (71.87%); 2) Palm Kernel Oil (7.16%); 3) Palm Kernel (2.65%); and 4) Fresh Fruit Bunches (0.91%). On the other hand, wood segment contributes 17.41% within the revenue which consist of mostly export sales (96.46%) towards several countries such as Japan, Australia, New Zealand, Europe, US and Canada.

Palm oil revenue increase by +2.50% YoY in 1Q21, supported by higher CPO, PK and PKO ASP (+4.90%/+49.50%/+48.10% YoY) despite the drop on sales volume. Subsequently, panel and engineered floor sales both grew by +1.50%/+6.70% YoY respectively though price only went up slightly. DSNG managed to maintain their GPM at 24.08% (vs 25.01% in 1Q20), OPM at 19.03% (vs 18.68% at 1Q20) due to higher gain from changes in asset fair value, while NPM went a tad higher to 6.10% (vs 5.12% in 1Q20).

Exhibit 03. Revenue Breakdown: Domestic CPO Absorption and Wood Export Majority



Sources : Company, MNCS

Lowered Export Levy

CPO price has gradually kick back to the MYR4,000 levels per metric ton, precisely at MYR4,149/mt which grew by +55.92% YoY/+15.25% YTD. We see that the price previously struggled to rise and keep declining, but several catalysts have brought the price back up. Government CPO reference price has rose to above USD1,000/mt, consecutively rising until June-2021, however it slightly drops on July-2021 to USD1,094.15/mt due to emergency social restrictions caused by the increase on Covid-19 cases.

The Government also has agreed to narrow the CPO price range that is subjected to levy from USD750/mt to USD1,000/mt. With every increase of USD50 on price, the levy increased by USD20, capped at USD175 from previously at USD255. With these new levy, CPO producers can benefit from higher margin as tax and levy portion towards price decreases. As seen on exhibit 05, the higher the reference price, the tax and levy margin will follow. But with the new terms in July-2021, we can see that tax and levy to price ratio fell to ~26% from ~36% previously. Despite there is a decrease on this month's price compared to last month, the price margin is higher than ever before.

Even though, we know DSNG is a domestic CPO player and is not subjected to export tax and levy, but these will also indirectly affect their top-line performance as price calculations for their product sales will also consider the rise and fall of the tax and levy. Therefore, we believe with the levy lowered, DSNG can improve their top-line in the 2H21E.

Exhibit 04. Current vs Previous Levy Structure

Current Reference CPO Price Range		in USD/mt			Prior Reference CPO Price Range		in USD/mt		
		Increase in CPO Price	Increase in Export Levy	Total Export Levy			Increase in CPO Price	Increase in Export Tax	Total Export Levy
<750				55	<670				55
750	800	50	20	75	670	695	25	5	60
800	850	50	20	95	695	720	25	15	75
850	900	50	20	115	720	745	25	15	90
900	950	50	20	135	745	770	25	15	105
950	1000	50	20	155	770	795	25	15	120
>1000		50	20	175	795	820	25	15	135
					820	845	25	15	150
					845	870	25	15	165
					870	895	25	15	180
					895	920	25	15	195
					920	945	25	15	210
					945	970	25	15	225
					970	995	25	15	240
					>995		25	15	255

Sources : Government, MNCS

Exhibit 05. Price After Tax and Levy is Higher After the New Levy Policy

Date	Reference Price USD	Levy	Tax	Price after tax & levy	Tax & Levy to Price Ratio
Jan-21	951.86	225	74	652.86	31.41%
Feb-21	1,026.78	255	93	678.78	33.89%
Mar-21	1,036.22	255	93	688.22	33.58%
Apr-21	1,093.83	255	116	722.83	33.92%
May-21	1,110.68	255	144	711.68	35.92%
Jun-21	1,223.90	255	183	785.9	35.79%
Jul-21	1,094.15	175	116	803.15	26.60%

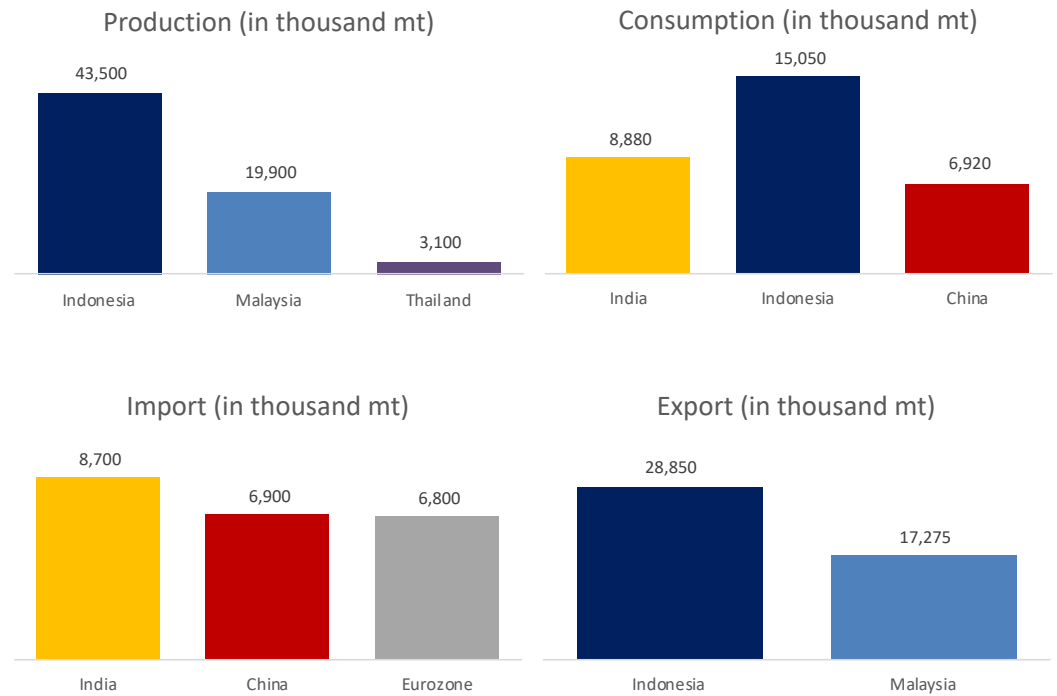
Sources : Government, MNCS

India has decided to lower their CPO import levy to 10% from previously 15% in the 3Q21 period (July-September). We see that this is done to increase the CPO import towards India as tax and levy to price ratio narrowed to 30% from 35% prior to the policy. Furthermore, the Government also grant permission for RBD Palm Olein import which was banned 18 months ago. This is due to higher domestic plant-derived oil prices. India is one of the largest importers with 8.7 million ton in FY20 as well as the largest CPO consumer after Indonesia. We see that as India recovers from the pandemic, CPO demand will naturally rise, resulting in higher import for consumption, therefore the policies are loosened.

The policy also has impacted Malaysia and Indonesia. Whereas India's import from Malaysia surge and drove the price higher. Same happened with China's import from Indonesia. Refinitiv revises their production estimate for Indonesia to 47.3 million ton, which rose by +1% from previous estimate. While Malaysia's production is revised lower to 17.99 million ton (-2.2% from prior estimate) due to labor and fertilizer shortage, weather and the ongoing pandemic. The Malaysian Palm Oil Council stated that CPO price will be at the range of MYR3,500 to MYR3,800 per metric ton as the export increase seems only temporary within the 3Q21 period in line with India's policy. Subsequently, MNCS estimate that the average price for FY21E will remain at ~MYR3,500/mt.

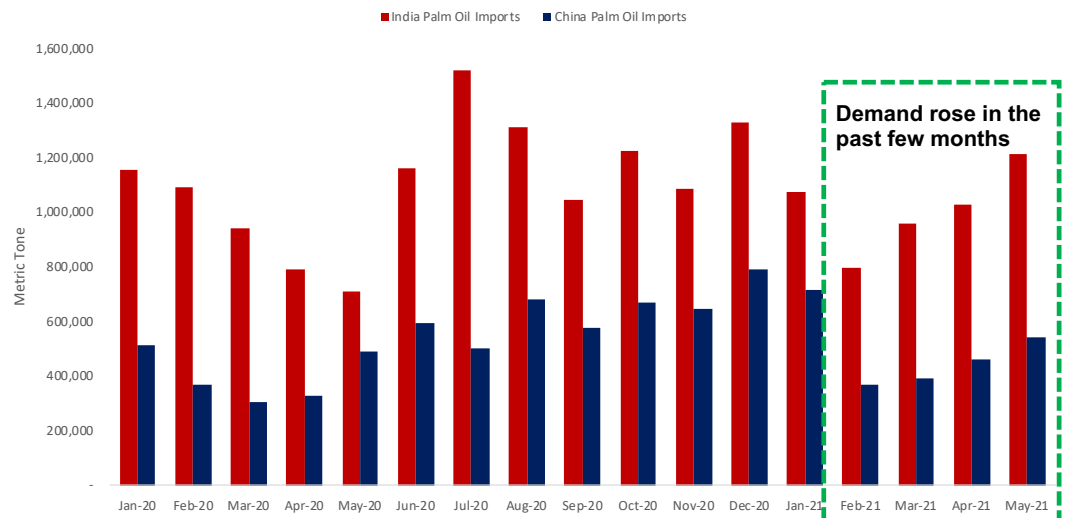
Increasing Global Demand in line with Recovery

Exhibit 06. CPO Top Countries as of FY20



Sources : Bloomberg, MNCS

Exhibit 07. China and India CPO Import Trend



Sources : Bloomberg, MNCS

Potential Role in Global Supply Chain

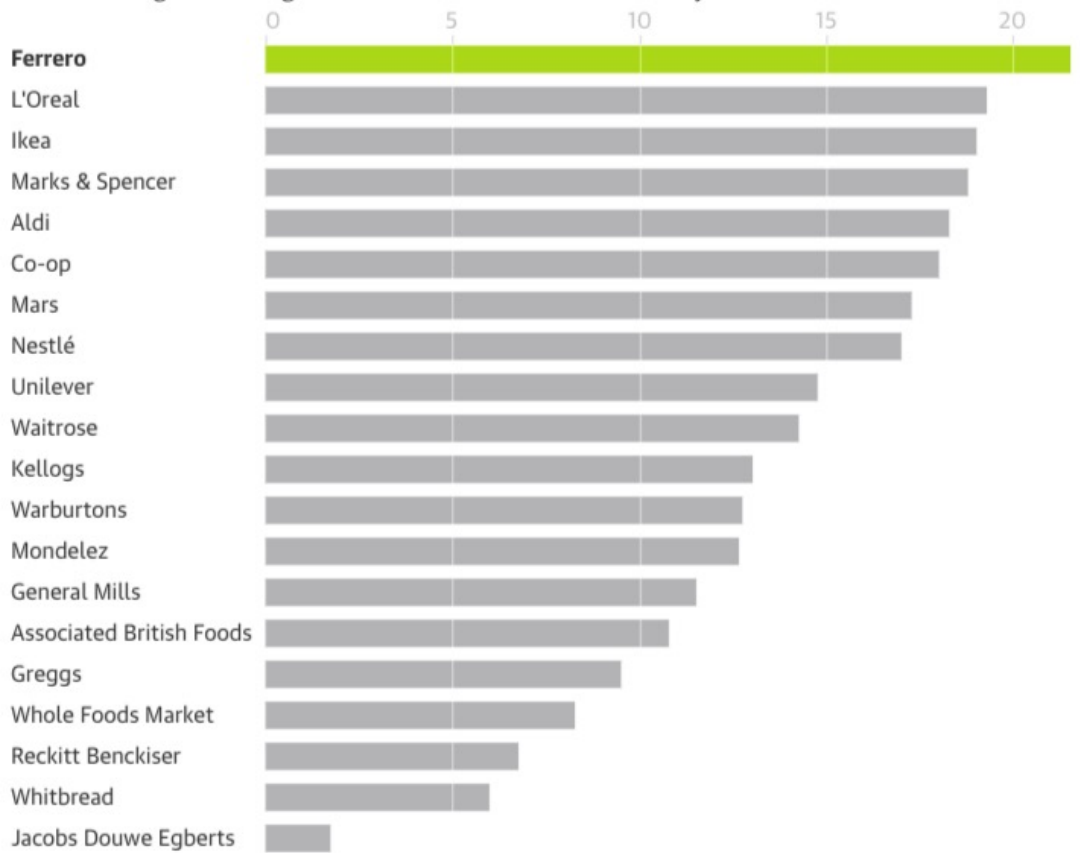
In the light of environmental awareness, such as deforestation, several companies in developed countries has no longer use palm oil as their part of ingredients. However, some companies still struggle to find a substitute while some cannot fully replace them. Instead, they decide to use a more sustainable palm oil. The commitment began in 2010 under the Consumer Goods Forum to reduce deforestation through their palm oil supply chain to net zero by 2020, which means that some deforestation could be made up for by restoring or growing forests elsewhere.

We know that DSNG is currently a domestic supplier. But with its competitive advantage on ESG and sustainability supported by a place in the top 20 SPOTT rank and RSPO certification, DSNG can potentially become a green supplier. Taking into accounts that DSNG has recently obtained a green fund from &Green, in which Unilever is a member. Unilever is also one of the largest sustainable palm oil consumer. So, along with the demands from other brands for sustainable palm oil, we hope that going forward, DSNG can also be a part of the sustainable global palm oil supply chain.

Exhibit 08. Global Companies Ranks in Using Sustainable Palm Oil

The WWF judged Ferrero to be making most progress towards phasing out unsustainable palm oil from supply chains

WWF ranking. Selected global brands shown from 173 surveyed



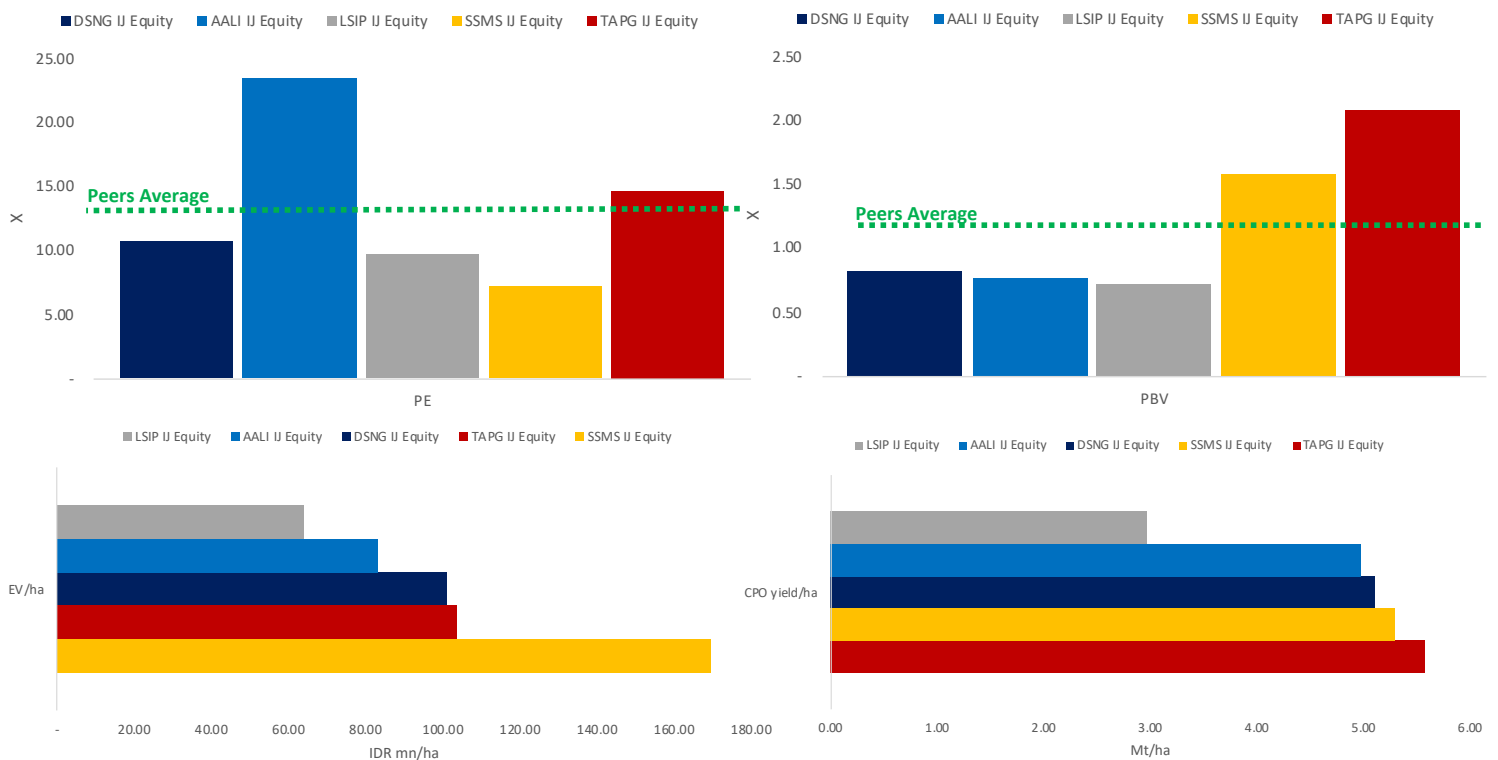
Guardian graphic. Source: WWF

Sources : The Guardian, WWF

Strong Contender among other Green Producers

DSNG is the winner in the Indonesian ESG game with the highest SPOTT ESG rank at 16, while the other peers are above 30. Subsequently, DSNG's PE and PBV are still quite attractive as those remain below peers' average at 10.62x/0.82x (vs peers average at 13.13x/1.19x). Subsequently, DSNG's valuation in EV/ha is still sizeable, align with their higher productivity and ESG value. We believe, as the leader in ESG, DSNG will open more opportunities in environmental cooperation such as the current joint ventures with a Japanese company, Erex, to supply palm kernel shells for power plants and with Verdant Bioscience to develop high yielding conventional seed and clonal seed/semi clonal palm oil seed.

Exhibit 09. Palm Oil Peers Comparison



Company	ESG SPOTT Rank
DSNG IJ Equity	16
TAPG IJ Equity	33
SSMS IJ Equity	37
AALI IJ Equity	52
LSIP IJ Equity	-

Sources : Company, Bloomberg, MNCS

CPO Mills Constructions

DSNG currently owned 10 operating CPO mills distributed in Borneo, while 6 out of 10 are concentrated in a contiguous block in East Borneo. DSNG is in the process of constructing two more mills, one in East Borneo with a capacity of 60 ton processed FFB per hour and the other in Central Borneo with a capacity of 45 ton processed FFB per hour. The total investment for these reached IDR393 billion and both are expected to begin operation by the end of this year. These two mills will add 105 tons processed FFB per hour which in total the capacity will reach 675 tons of FFB per hour. With the additional mills, we hope CPO production can be increased by the end of this year, as FFB production and other palm products in the 1Q21 decreased due to La Nina and the pandemic.

Exhibit 10. Operating CPO Mills



Sources : Company

Several Additions of Renewable Energy are on It's Way: 1) Bio-CNG plants for the Economy and the Environment

The first Bio-CNG plant in Indonesia, owned by DSNB, has been operating since in September 2020. It is located in East Kalimantan with a capacity of 2x600 kW which provides 1.2 MW used to power the Kernel Crushing Plant (KCP) and the Bio-CNG Plant itself. As for the remaining biogas will be upgraded and compressed into Biomethane Compressed Natural Gas with a capacity of 280m³/hour, which can replace the conventional fuel to power the employee housing and nearby Palm Oil Mills (POM). The power was generated from liquid waste in one POM with a capacity of 60 tons of FFB/hour which resulted in tremendous reduction on carbon emission and saves at least 2 million liters of diesel fuel consumption.

Subsequently, six Bio-CNG plants are planned to be constructed within the next two years with the second plant currently under construction. The second plant will generate power from liquid waste in two POMs with a capacity of 120 tons FFB/hour which resulted in 2x850 kW of energy and 540m³/hour biomethane gas. The investment worth USD47 million for these plants and when the seven plants run it would be able to save ~16 million liters of diesel per year and reduce carbon emission by 400,000 tons per year. With the economic gain, DSNB can reduce it's overhead cost which accounts for ~25% of the cost of revenue and provide a wider GPM in the long run.

Exhibit 11. Bio-CNG Energy Usage Map and Implication in the Environment and Economy



Sources : Company

2) Solar panels on the Wood Factory

In continuation of the green energy, DSNG plans to install a solar power plant utilizing the Norwegian technology on the factory's roof top of their wood business subsidiary, PT Tanjung Kreasi Parquet Industry (TKPI), with a coverage area of 16,000 m². The plant can produce 2MW at its peak capacity, while the installation begins in July 2021 and estimated to operate in early FY22F. In the future, DSNG also plans to implement the solar plant to both wood factories.

We believe with the Bio-CNG Plant and the solar panels, DSNG is on a head start towards a greener energy which is a step faster than the government who aims for a net zero carbon emission in around 2060, whereas DSNG's roadmap is rather short to aim for the net zero in FY25. Hence, DSNG is putting all their energy and focus on the sustainability goal. While their source of fund came from capital expenditure which is budgeted at IDR1 trillion for FY21E.

Exhibit 12. Rooftop of TKPI on which the Solar Panel would be installed



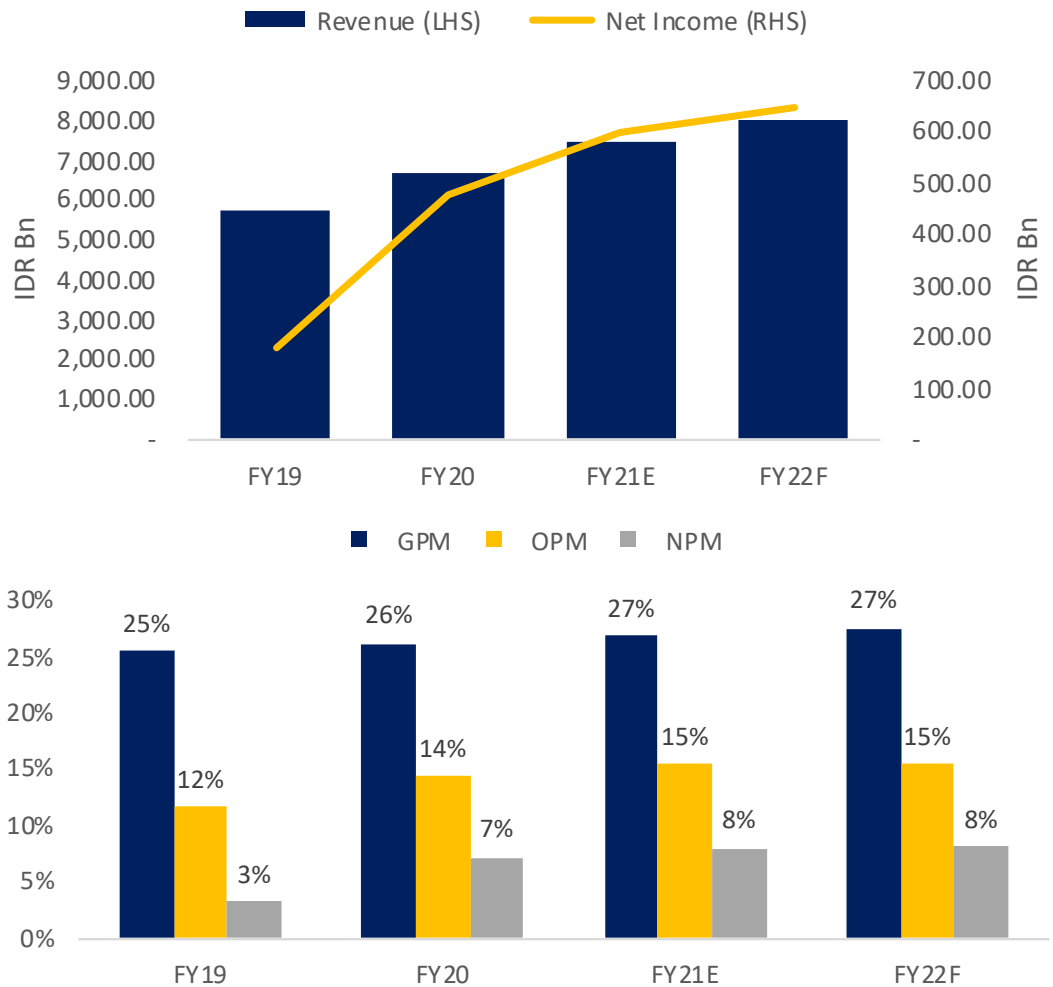
Sources : Company

Financial Highlight: Solid Growth and Higher Margin supported by Higher ASP

We are quite optimistic with the plantation sector outlook for the year with the rise on CPO price and better weather in the 2H21E. We estimate ~30% YoY increase on CPO ASP in FY21E which support the double-digit growth of +11.83% YoY to IDR7.5 trillion on FY21E top line. Also, with manageable cost, GPM can be maintained at 26.82% level along with OPM at 15.43% in FY21E. While we estimate net profit to book a decent performance in FY21E, surging by 25.26% YoY to IDR597.04 billion.

From the leverage angle, DSNG managed to lower their Debt-to-Equity Ratio (DER) to 1.27x in FY20 (vs 2.11x in FY19) by issuing Sustainability Bonds I Phase I Year 2020 with two series as follows: 1) Series A amounting to IDR275 billion with a 3-year maturity period and a coupon of 9.60; 2) Series B amounting to IDR176 billion with a 5-year maturity period and a 9.90% coupon. Along with the lower benchmark interest rate, DSNG can effectively cut off their cost of debt. We assume that the DER will be maintained at 1.22x in FY21E.

Exhibit 13. DSNG Financial Performance, Margin and Estimate

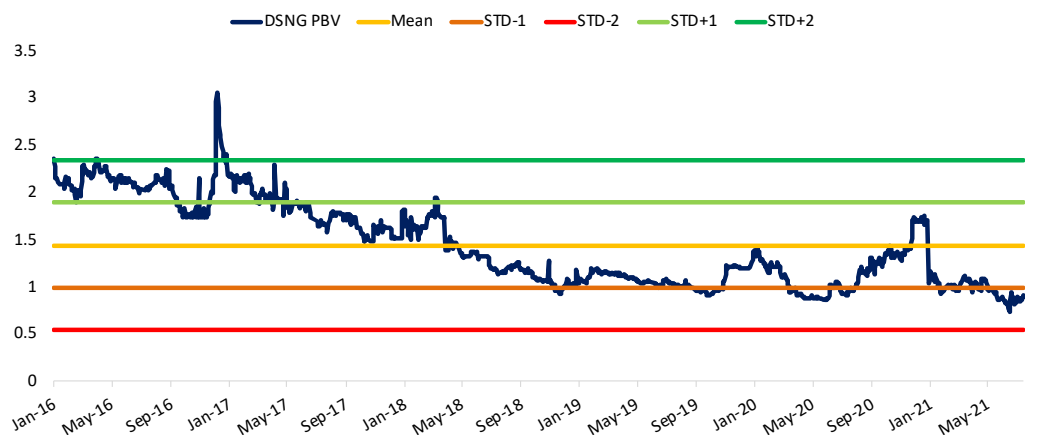


Sources : Company, MNCS

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Exhibit 14. DSNG is currently trading at -1STD (5-year average) at 0.91x PBV



Sources : Bloomberg, MNCS

Exhibit 15. Financial Projections

Billion IDR	Income Statement				
	FY18	FY19	FY20	FY21E	FY22F
Revenue	4,761.81	5,736.68	6,698.92	7,491.68	7,965.43
Cost Of Revenue	3,218.59	4,275.99	4,947.24	5,482.04	5,781.64
Gross Profit	1,543.22	1,460.70	1,751.68	2,009.64	2,183.79
Operating Expenses	(628.93)	(794.67)	(794.86)	(853.53)	(957.26)
Operating Profit	914.29	666.03	956.81	1,156.11	1,226.53
Finance Cost	(359.22)	(504.64)	(319.12)	(318.50)	(316.10)
Finance Income	38.62	28.17	19.36	32.77	32.72
Profit Before Income Tax	611.26	280.08	695.30	870.37	943.15
Income Tax Expenses	(178.85)	(101.92)	(217.13)	(271.80)	(294.52)
Profit of the Year	420.50	179.94	476.64	597.04	647.09
Minority Interest	(6.74)	1.78	(1.53)	(1.53)	(1.53)
Net Profit	420.50	179.94	476.64	597.04	647.09
EPS	40.15	17.43	45.57	57.09	61.87

Billion IDR	Cash Flow				
	FY18	FY19	FY20	FY21E	FY22F
Net Income	420.50	179.94	476.64	597.04	647.09
Depreciation	151.75	306.08	338.73	683.51	744.69
Change in Working Capital	(754.48)	262.76	(12.20)	(10.47)	(82.75)
Change in others	480.56	(161.71)	291.24	36.12	21.58
CFO	298.34	587.07	1,094.41	1,306.19	1,330.62
Capital Expenditure	(478.50)	(498.35)	(625.96)	(700.04)	(744.31)
Others	(906.10)	(241.48)	(16.53)	(720.20)	(430.39)
CFI	(1,384.60)	(739.82)	(642.49)	(1,420.24)	(1,174.70)
Dividend Paid	(104.58)	(104.58)	(52.29)	(65.50)	(70.99)
Net Change in Debt	2,445.67	(84.78)	(462.68)	(100.87)	-
Equity Fund Raised	(0.01)	-	-	-	-
Others	(1,080.50)	(11.54)	565.12	-	-
CFF	1,260.58	(200.90)	50.15	(166.37)	(70.99)
Net Cash Increase	174.31	(353.65)	502.06	(282.57)	84.92
Closing Balance	456.12	102.47	604.53	321.96	406.89

Billion IDR	Balance Sheet				
	FY18	FY19	FY20	FY21E	FY22F
Cash and cash equivalents	456.12	102.47	604.53	321.96	406.89
Trade Receivables	399.13	355.06	381.76	506.19	495.05
Inventory	870.56	710.54	670.40	826.91	872.10
Other Current Assets	672.11	764.46	956.42	1,069.60	1,137.24
Total Current Assets	2,397.92	1,932.53	2,613.11	2,724.66	2,911.28
Fixed Assets - net	2,998.66	3,151.12	5,452.52	5,471.20	5,470.82
Other Non-Current Assets	6,342.32	6,537.17	6,085.75	6,805.95	7,236.34
Total Non-Current Assets	9,340.97	9,688.29	11,538.27	12,277.15	12,707.16
TOTAL ASSETS	11,738.89	11,620.82	14,151.38	15,001.82	15,618.44
Trade Payables	753.73	695.06	720.71	991.17	942.47
Short-term Debt	1,288.10	1,386.30	1,189.09	1,204.19	1,204.19
Other current liabilities	279.20	280.37	383.22	428.57	455.67
Total Current Liabilities	2,321.03	2,361.73	2,293.01	2,623.93	2,602.33
Long-term Debt	5,197.68	5,014.72	4,749.24	4,633.27	4,633.27
Other Long-term liabilities	561.22	512.79	878.38	982.33	1,044.45
Total Long-term Liabilities	5,758.90	5,527.50	5,627.62	5,615.60	5,677.72
Total Equity	3,658.96	3,731.59	6,230.75	6,762.29	7,338.39
TOTAL LIABILITY AND EQUITY	11,738.89	11,620.82	14,151.38	15,001.82	15,618.44

Billion IDR	Ratios				
	FY18	FY19	FY20	FY21E	FY22F
Growth Year on Year					
Revenue Growth	-7.7%	20.5%	16.8%	11.8%	6.3%
Gross Profit Growth	-10.5%	-5.3%	19.9%	14.7%	8.7%
Operating Profit Growth	-20.5%	-27.2%	43.7%	20.8%	6.1%
Net Income Growth	-26.9%	-57.2%	164.9%	25.3%	8.4%
Profitability					
GPM	32.4%	25.5%	26.1%	26.8%	27.4%
OPM	19.2%	11.6%	14.3%	15.4%	15.4%
EBITDA Margin	24.3%	17.3%	19.4%	24.6%	24.7%
NPM	8.8%	3.1%	7.1%	8.0%	8.1%
ROA	3.6%	1.5%	3.4%	4.0%	4.1%
ROE	11.5%	4.8%	7.6%	8.8%	8.8%
DER (x)	2.21	2.11	1.27	1.22	1.13
Current Ratio (x)	1.03	0.82	1.14	1.04	1.12
Quick Ratio (x)	0.66	0.52	0.85	0.72	0.78

Sources : Company, MNCS

MNC Research Industry Ratings Guidance

OVERWEIGHT: Stock's total return is estimated to be above the average total return of our industry coverage universe over next 6-12 months

NEUTRAL: Stock's total return is estimated to be in line with the average total return of our industry coverage universe over next 6-12 months

UNDERWEIGHT: Stock's total return is estimated to be below the average total return of our industry coverage universe over next 6-12 months

MNC Research Investment Ratings Guidance

BUY : Share price may exceed 10% over the next 12 months

HOLD : Share price may fall within the range of +/- 10% of the next 12 months

SELL : Share price may fall by more than 10% over the next 12 months

Not Rated : Stock is not within regular research coverage

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